



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue
Seattle, Washington 98101

7 JUL 2008

Reply To
Attn Of: ECL-111

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Vertellus Specialties, Inc., formerly Reilly Tar & Chemical Corporation
300 North Meridian Street
Suite 1500
Indianapolis, IN 46204

Re: Notice of Potential Liability Pursuant to Section 107(a) and Request for
Information Pursuant to Section 104(e) of CERCLA, for the Quendall Terminals
Superfund Site, Renton, Washington

Dear Representative of Reilly Tars, Inc.:

This letter notifies you for a second time of your potential liability, as defined by Section 107(a) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9607(a), as amended (“CERCLA”), with respect to the Quendall Terminals Superfund Site located in King County, Washington (“Site”). This letter also requires you to provide information and documents relating to the environmental conditions at, and cleanup of, the Site. The United States Environmental Protection Agency (“EPA”) sent you a Special Notice Letter on February 13, 2006, informing you of your potential liability at the Site, and allowing you the opportunity to participate in the negotiations for the performance of the Remedial Investigation/Feasibility Study (RI/FS) at the Site. EPA did not receive a response from you. At this time, Altino Properties, Inc. and J.H. Baxter & Co. are performing the RI/FS at the Site pursuant to an Administrative Settlement Agreement on Consent with EPA.

NOTICE OF POTENTIAL LIABILITY

EPA has documented the release or threatened release of hazardous substances, at the Site. EPA has spent public funds on actions to investigate and control such releases or threatened releases at the Site.

Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a), a Potentially Responsible Party (“PRP”) or parties may be ordered to perform response

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actions deemed necessary by EPA to protect the public health, welfare, or the environment, and may be liable for all costs incurred by the government in responding to any release or threatened release at the Site. Such actions and costs may include, but are not limited to, a preliminary assessment and site investigation in order to gain an understanding of any risks posed by releases or threatened releases for the Site to human health and the environment, conducting a removal response action at the Site, expenditures for conducting a Remedial Investigation/Feasibility Study, conducting a Remedial Design/Remedial Action ("RD/RA"), and other investigation, planning, response, oversight, and enforcement activities. In addition, PRPs may be required to pay for damages to, destruction of, or loss of natural resources, including the costs of assessing such damages.

EPA has evaluated information in connection with the investigation of the Site performed to date and believes that you may be a PRP with respect to this Site. PRPs under CERCLA include current owners and operators of the Site, and former owners and operators of the Site at the time of disposal of any hazardous substances, as well as persons who arranged for disposal, treatment or transport of hazardous substances at the Site, or persons who accepted hazardous substances for transport to the Site. EPA is notifying you of your potential liability based on information available from public records.

In accordance with CERCLA, EPA and other potential responsible parties have already undertaken certain actions and incurred certain costs in response to conditions at the Site.

REQUEST FOR INFORMATION

Pursuant to the authority of Section 104(e) of the CERCLA, 42 U.S.C. § 9604(e), you are required to respond to the Information Request set forth in the Enclosure to this letter.

Failure to provide a complete truthful response to this Information Request within sixty (60) days of your receipt of this letter, or to adequately justify such failure to respond, may subject you to an enforcement action by EPA pursuant to Section 104(e) of CERCLA. The statute permits EPA to seek the imposition of penalties of up to thirty-two thousand five hundred dollars (\$32,500) for each day of non-compliance.

Please note that responses which are incomplete, ambiguous, or evasive may be treated as non-compliance with this Information Request. Provision of false, fictitious, or fraudulent statements or representations may subject you to criminal penalties under 18 U.S.C. § 1001.

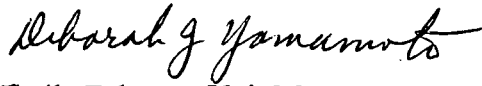
Your response to this Information Request should be mailed to:

United States Environmental Protection Agency, Region 10
Lynda Priddy, Remedial Project Manager
Environmental Cleanup Office
1200 Sixth Ave., Suite 900 ECL-111
Seattle, Washington 98101

If you have questions concerning this letter or the Site, please contact Lynda Priddy (206) 553-1987. Any communication by any attorney on your behalf should be directed to Cara Steiner-Riley, EPA Office of Regional Counsel, at (206) 553-1142.

Thank you for your cooperation in this matter.

Sincerely,


for Sheila Eckman, Unit Manager
Environmental Cleanup Office

Enclosures:

Information Request
Definitions
Instructions
Declaration

U.S. EPA

CERCLA SECTION 104(e)

INFORMATION REQUEST

Respondent: Vertellus Specialties, Inc.,
Formerly, Reilly Tar & Chemical Corporation

Site: Quendall Terminals
4503 Lake Washington Blvd. N.
Renton, WA

Date: 1917-1971

Please note: this Information Request includes instructions for responding to this request and definitions of words such as "Respondent," "Site," and "identify" used in the questions.

INFORMATION REQUEST QUESTIONS

1. Respondent Information

- a. Provide the full legal name and mailing address of the Respondent.
- b. For each person answering these questions on behalf of Respondent, provide:
 - i. full name;
 - ii. title;
 - iii. business address;
 - iv. business telephone number and FAX machine number.
- c. If Respondent wishes to designate an individual for all future correspondence concerning this Site, please indicate here by providing that individual's name, address, telephone number, and fax number.
- d. State the dates during which Respondent held any property interests at or within one-half mile of the above mentioned address.

- e. State the dates during which Respondent conducted any business activity at or within one-half mile of the above mentioned address.
- f. Describe the nature of Respondent's business activities at the above mentioned address or within one-half mile of that address.
- g. In relation to your answer to the previous question, identify all materials used or created by your activities at the above mentioned address, including raw materials, commercial products, building debris, and other wastes.
- h. If Respondent, its parent corporation, subsidiaries or other related or associated companies have filed for bankruptcy, provide:
 - i. the U.S. Bankruptcy Court in which the petition was filed;
 - ii. the docket numbers of such petition;
 - iii. the date the bankruptcy petition was filed;
 - iv. whether the petition is under Chapter 7 (liquidation), Chapter 11 (reorganization), or other provision; and
 - v. a brief description of the current status of the petition.

2. Site Activities and Interests

- a. Provide all documents in your possession regarding the ownership or environmental conditions of the property mentioned above, including, but not limited to, copies of deeds, sales contracts, leases, blueprints, "as-builts" and photographs.
- b. Provide information on the condition of the property when purchased; describe the source, volume, and content of any fill material used during the construction of the buildings, including waterside structures such as seawalls, wharves, docks, or marine ways.
- c. Provide information on past dredging or future planned dredging at this site.
- d. Provide a brief summary of the activities conducted at the site while under Respondent's ownership or operation. Include process diagrams or flow charts of the industrial activities conducted at the site.
- e. Provide all documents pertaining to sale, transfer, delivery, disposal, of any hazardous substances, scrap materials, and/or recyclable materials to this property.

- f. Provide all information on electrical equipment used at the facility, including transformers or other electrical equipment that may have contained polychlorinated biphenols (PCBs).
- g. Provide information on the type(s) of oils or fluids used for lubrication of machinery or other industrial purposes, and any other chemicals or products which are or may contain hazardous substances which are or were used at the facility for facility operations.
- h. Provide any site drainage descriptions, plans or maps that include information about storm drainage which includes, but is not limited to, above or below surface piping, ditches, catch basins, manholes, and treatment/detention or related structures including outfalls. If available, also include information about connections to sanitary sewer.

With respect to past site activities, please provide copies of any stormwater or drainage studies, including data from sampling, conducted at these properties. Also provide copies of any Stormwater Pollution Prevention or Maintenance Plans or Spill Plans that may have been developed for different operations during the Respondent's occupation of the property.

- i. Provide all reports of environmental audits, studies or evaluations performed on the site.

3. Information About Others

- a. If you have information concerning operations at the Site or the source, content, or quantity of materials placed/disposed of at the Site that is not included in the information you have already provided, provide all such information.
- b. Provide the names and last known address of any tenants or lessees, the dates of their tenancy and a brief description of the activities they conducted while operating on the above mentioned site.
- c. If not already included in your response, if you have reason to believe that there may be persons able to provide a more detailed or complete response to any of these questions or who may have additional responsive documents, identify and provide a last known address or phone number of such persons.
- d. If not already provided, identify and provide a last known address or phone number for all persons, including Respondent's current and former employees or agents, other than attorneys, who have knowledge or information about the generation, use, purchase, storage, disposal, placement, or other handling of hazardous materials at, or transportation of hazardous materials to or from, the Site.

4. Financial Information

- a. Provide true and complete copies of all federal income tax documents, including all supporting schedules, for 2002, 2003, 2004, 2005 and 2006. Provide the federal Tax Identification Number and, if documentation is not available, explain why in detail.
- b. Provide the Respondent's financial interest in, control, or that the Respondent is beneficiary of any assets (in the U.S. or in another country) that has not been identified in your federal tax returns or other financial information to be presented to EPA. If there are such assets, please identify each asset by type of asset, estimated value, and location.
- c. If Respondent is, or was at any time, a subsidiary of, otherwise owned or controlled by, or otherwise affiliated with another corporation or entity, then describe the full nature of each such corporate relationship, including but not limited to:
 - i. a general statement of the nature of relationship, indicating whether or not the affiliated entity had, or exercised, any degree of control over the daily operations or decision-making of the Respondent's business operations at the Site ;
 - ii. the dates such relationship existed;
 - iii. the percentage of ownership of Respondent that is held by such other entity(ies);
 - iv. for each such affiliated entity provide the names and complete addresses of its parent, subsidiary, and otherwise affiliated entities, as well as the names and addresses of each such affiliated entity's officers, directors, partners, trustees, beneficiaries, and/or shareholders owning more than five percent of that affiliated entity's stock;
 - v. provide any and all insurance policies for such affiliated entity(ies) which may possibly cover the liabilities of the Respondent at the Site; and
 - vi. provide any and all corporate financial information of such affiliated entities, including but not limited to total revenue or total sales, net income, depreciation, total assets and total current assets, total liabilities and total current liabilities, net working capital (or net current assets), and net worth.

5. Insurance Coverage

- a. Provide copies of all property, casualty and/or liability insurance policies, and any other insurance contracts referencing the site or facility and/or Respondent's business

operations (including, but not limited to, Comprehensive General Liability, Environmental Impairment Liability, Pollution Legal Liability, Cleanup Cost Cap or Stop Loss Policies). Include, without limitation, all primary, excess, and umbrella policies which could be applicable to costs of environmental investigation and/or cleanup, and include the years such policies were in effect.

- b. If there are any such policies from questions a & b above of which existed, but for which copies are not available, identify each such policy by providing as much of the following information as possible:
 - i. the name and address of each insurer and of the insured;
 - ii. the type of policy and policy numbers;
 - iii. the per occurrence policy limits of each policy; and
 - iv. the effective dates for each policy.
 - c. Identify all insurance brokers or agents who placed insurance for the Respondent at any time during the period being investigated, as identified at the beginning of this request, and identify the time period during which such broker or agent acted in this regard.
 - d. Identify all communication and provide all documents that evidence, refer, or relate to claims made by or on behalf of the Respondent under any insurance policy in connection with the site. Include any responses from the insurer with respect to any claims.
 - e. Identify any previous settlements with any insurer in connection with the site, or for any claims for environmental liabilities during the time period under investigation. Include any policies surrendered or cancelled by the Respondent or insurer.
 - f. Identify any and all insurance, accounts paid or accounting files that identify Respondent's insurance policies.
 - g. Identify Respondent's policy with respect to document retention.
6. **Compliance with This Request.** Describe all sources reviewed or consulted in responding to this request, including, but not limited to:
- a. the name and current job title of all individuals consulted;
 - b. the location where all documents reviewed are currently kept.

INSTRUCTIONS

1. Answer Each Question Completely. Provide a separate answer to each question and subpart set forth in this Information Request. Incomplete, evasive, or ambiguous answers shall constitute failure to respond to this Information Request and may subject the Respondent to the penalties set out in the cover letter.
2. Number Each Answer. Number each answer with the number of the question to which it corresponds.
3. Provide the Best Information Available. Provide responses to the best of Respondent's ability, even if the information sought was never put down in writing or if the written documents are no longer available. Seek out responsive information from current and former employees/agents. Submission of cursory responses when other responsive information is available to the Respondent will be considered noncompliance with this Information Request.
4. Identify Information Sources. For each question, identify all persons and documents relied upon for the answer.
5. Confidential Information. The information requested herein must be provided even though the Respondent may contend that it includes confidential information or trade secrets. The Respondent may assert a confidentiality claim covering part or all of the information requested, pursuant to 42 U.S.C. §§ 9604(e)(7)(E) and (F), and 40 C.F.R. § 2.203(b). All information claimed to be confidential should be contained on separate sheet(s) and should be clearly identified as "trade secret" or "proprietary" or "company confidential." A confidentiality claim should be supported by the submission of information consistent with 40 C.F.R. Part 2. Information covered by a confidentiality claim will be disclosed by EPA only to the extent, and only by means of the procedures, provided in 40 C.F.R. §§ 2.201-2.311. **If no such claim accompanies the information received by EPA, it may be made available to the public by EPA without further notice.**
6. Disclosure to EPA Contractor. Information submitted in response to this Information Request may be disclosed by EPA to authorized representatives of the United States, pursuant to 40 C.F.R. 2.310(h), even if the Respondent asserts that all or part of it is confidential business information. EPA may provide this information to its contractors for the purpose of organizing and/or analyzing the information contained in the responses to this Information Request. If submitting information and asserting it is entitled to treatment as confidential business information, the Respondent may comment on EPA's intended disclosure within 14 days of receiving this Information Request.

7. Personal Privacy Information. Personnel and medical files, and similar files the disclosure of which to the general public may constitute an invasion of privacy, should be segregated from responses, included on separate sheet(s), and marked as "Personal Privacy Information". Note, however, that unless prohibited by law, EPA may disclose this information to the general public without further notice.
8. Objections. The Respondent must provide responsive information notwithstanding objections to certain questions. To object without providing responsive information may subject Respondent to the penalties set out in the cover letter.
9. Privilege. If a privilege is asserted for any document responsive to this Information Request, identify (see Definitions) the document and provide the basis for assertion. If a privilege exists for only a portion of a document, provide the portion of the document that is not asserted be privileged, identify the portion that is asserted to be privileged, and provide the basis for asserting privilege. **Please note that regardless of the assertion of any privilege, any facts contained in the document which are responsive to the Information Request must be disclosed in your response.**
10. Declaration. The Respondent must complete the enclosed declaration, certifying the accuracy of all statements in your response.

DEFINITIONS

All terms not defined herein shall have their ordinary meaning, unless such terms are defined in Section 101 of CERCLA, 42 U.S.C. § 9601, *et seq.*, or Volume 40 of the Code of Federal Regulations (CFR), in which case such statutory or regulatory definitions shall apply.

The following definitions shall apply to the following words as they appear in this Enclosure:

1. The term "Respondent" shall mean the addressee of this Request, together with the addressee's agents, employees, and contractors.
2. The terms "document" and "documents" shall mean any method of recording, storing, or transmitting information. "Document" shall include, but not be limited to:
 - a. writings of any kind, including, but not limited to, any of the following:
 - i. letters, memoranda, fax transmittals;
 - ii. meeting minutes, telephone records, notebooks;
 - iii. agreements and contracts;
 - iv. reports to shareholders, management, or government agencies;
 - v. transportation manifests;
 - vi. copies of any document.
 - b. any film, photograph, or sound recording on any type of device;
 - c. any blueprints or drawings;
 - d. attachments to, or enclosures with, any document.
3. The term "identify" means, with respect to a natural person, to set forth: (a) the person's full name, (b) present or last known business and home addresses and telephone numbers; and (c) present or last known employer (include full name and address) with job title, position, or business.
4. The term "identify" means, with respect to a corporation, partnership, business trust, or other entity, to set forth: (a) its full name; (b) complete street address; (c) legal form (e.g., corporation, partnership, etc.); (d) the state under whose laws the entity was organized; and (e) a brief description of its business.

5. The term "identify" means, with respect to a document, to provide: (a) its customary business description (e.g., letter, invoice); (b) its date; (c) its number if any (e.g., invoice or purchase order number); (d) the identity of the author, addressee, and/or recipient; and (e) a summary of the substance or the subject matter. **Alternatively**, Respondent may provide a complete copy of the document.
6. The term "material" or "materials" shall mean any and all raw materials, commercial products, wastes, chemicals, substances, or matter of any kind.
7. The "period being investigated" and "the relevant time period" shall mean 1985 to present.
8. The term "property" shall mean any interest in real or personal property whatsoever, including fee interests, leases, licenses, rental, and mineral rights.
9. The "Site" shall mean any or all property or area described as or near 4503 Lake Washington Blvd. N. in Renton, WA, King County tax parcel: 2924059002.
10. The term "waste" or "wastes" shall mean and include trash, garbage, refuse, by-products, solid waste, hazardous waste, hazardous substances, and pollutants or contaminants, whether solid, liquid, or sludge, including, but not limited to, building debris and asbestos-containing material.
11. The term "business activities" shall mean all actions, endeavors, ventures, or financing arrangements related in any manner whatsoever to the use and development of the Site, including surveying, sampling, grading, documentation, photography, demolition, construction, and waste disposal, and sales.

DECLARATION

I declare under penalty of perjury that I am authorized to respond on behalf of Respondent and that the foregoing is complete, true, and correct.

Executed on _____, 2008.

Signature 1

Type or Print Name

Title

Vertellus Specialties, Inc.,
Formerly Reilly Tar and Chemical Corporation
300 North Meridian Street
Suite 1500
Indianapolis, IN 46204

Mailing Address:

Corporation Service
Registered Agent
251 East Ohio Street
Suite 500
Indianapolis, IN 46204

If you have questions concerning this letter or the Site, please contact Lynda Priddy (206) 553-1987. Any communication by any attorney on your behalf should be directed to Cara Steiner-Riley, EPA Office of Regional Counsel, at (206) 553-1142.

Thank you for your cooperation in this matter.

Sincerely,

Sheila Eckman, Unit Manager
Environmental Cleanup Office

Enclosures:

Information Request
Definitions
Instructions
Declaration

bcc: Lynda Priddy, EPA/ECL
Cara Steiner-Riley, EPA/ORC
Grechen Schmidt, EPA/OEA

CONCURRENCES						
Initials:	Lynda Priddy, ECL	Cara Steiner- Riley, ORC	Cyndy Mackey, ORC			
Name:	<i>LP</i>	<i>CSR</i>	<i>CM</i>			
Date:	<i>7/3/08</i>	<i>6/14/08</i>	<i>6/17/08</i>			

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formerly Reilly Tar & Chemical Corp.

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or PO Box No.

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Suite 1500

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- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "*Restricted Delivery*".
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 (Reverse) PSN 7530-02-000-9047